

Rewald firm president Wong gets 2 years for fraud; calls term 'fair'

By Walter Wright
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Sunlin L.S. "Sunny" Wong was sentenced to two years in federal prison yesterday for mail and securities fraud in the Bishop Baldwin Rewald Dillingham & Wong case.

Wong called the sentence "fair" and said he was "very, very sorry" for the losses suffered by 400 investors who put \$22 million into the company.

Wong, who was president, secretary and co-owner of the company, said he hoped his guilty plea and agreement to testify against others would be "an important step in correcting a wrong and bringing this case . . . into proper perspective."

Wong is prepared to testify that Ronald Rewald initiated the creation of the company in 1978, chose the name, made him president and asked him to do real estate evaluations and bring in investors, and eventually told him the money was going into CIA investments.

Wong's attorney, Kevin S.C. Chang, insisted.

Wong didn't know anything was wrong until late 1982, when he became suspicious about the hiring of several consultants and the opening of offices around the world.

By that time, Wong had invested some of his own money in the firm, and had been told by Rewald that the CIA was paying for some extra phones and telexes in the office.



Wong

But from late 1982 until the company's collapse in July 1983, Chang said, Wong knew that misrepresentations were being made but "saw only what he wanted to see," his "vision obscured" by his own involvement and by his "desire for the good life."

He said Wong had little contact with the operation until 1981, and received about \$165,000 in investors' money in the form of salary over a five-year period.

Thomas Hayes, administrator in the company's bankruptcy, said Wong received other perquisites and payments to bring the total closer to \$250,000, not counting frequent trips, to Tahiti, Hong Kong, Argentina and the Cook Islands.

Wong faced a maximum of 10 years and a fine of \$11,000. U.S. District Judge Sam King said he would have given Wong only six months except for the fact that Wong obviously couldn't make restitution.

King said the company's operation "was such an obvious fraud from the beginning that I can't imagine anyone being involved and not knowing."

Assistant U.S. Attorney John Peyton said Wong was a "second string" player at Bishop Baldwin, "but his participation was significant in the perpetuation of this massive fraud."

At the same time, Peyton said, Wong had cooperated fully in the investigation and had been "extremely helpful," and for that reason the prosecution agreed to not make any specific recommendation on sentencing.